TITLE 3. FOOD AND AGRICULTURE

NOTICE IS HEREBY GIVEN that the Department of Food and Agriculture (Department) is proposing to take the action described in the Informative Digest. A public hearing is not scheduled for this proposal. A public hearing will be held if any interested person, or his or her duly authorized representative, submits a written request for a public hearing to the Department no later than 15 days prior to the close of the written comment period. Any person interested may present statements or arguments in writing relevant to the action proposed to the person designated in this Notice as the contact person beginning May 16, 2014 and ending at 5:00 p.m., June 30, 2014. Following the public hearing, if one is requested, or following the written comment period if no public hearing is requested, the Department, upon its own motion or at the instance of any interested party, may thereafter adopt the proposals substantially as described below or may modify such proposals if such modifications are sufficiently related to the original text. With the exception of technical or grammatical changes, the full text of any modified proposal will be available for 15 days prior to its adoption from the person designated in this Notice as contact person and will be mailed to those persons who submit written or oral testimony related to this proposal or who have requested notification of any changes to the proposal.

Authority and Reference: Pursuant to the authority vested by sections 407, 18693, 18735, 18960, 18961 and 19014, Food and Agricultural Code, and to implement, interpret or make specific sections 18669, 18721, 18722, 18725, 18726, 18731, 18736, 18738, 18753, 18971, 18972, 18973, 18976, 18991, 19012, 19014 and 19017 of the Food and Agricultural Code, the Department is proposing to make various changes to Subchapter 1, Chapter 4, Division 2, of Title 3 of the California Code of Regulations, to read as follows:

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW/BENEFITS

Existing law, Chapter 4 (commencing with section 18650), Chapter 4.1 (commencing with section 18940); and Chapter 6 (commencing with section 19501), of Part 3, Division 9, and Chapter 3 (commencing with section 24951) of Part 1, Division 12, Food and Agricultural Code, authorize the Department of Food and Agriculture (Department) to regulate Custom Livestock Slaughterhouses and meat and poultry processing plants. The facilities are exempt from inspection by the United States Department of Agriculture (USDA) but require a license and inspection in California.

Existing regulations for the slaughter of livestock and other animals and the processing of meat and poultry are found under Subchapter 1 (commencing with section 900) of Chapter 4, Division 2, of Title 3 of the California Code of Regulations.

This proposal will augment the sanitation and safe handling procedures for meat and poultry at Custom Livestock Slaughterhouses and require that safe handling instructions are to be provided to the customer for the proper handling, storing and cooking of meat and poultry. This proposal would adopt sections 901.12, 901.13 and 908.12, and amend sections 900 and 904.15 of Subchapter 1, Chapter 4, Division 2, of Title 3 of the California Code of Regulations.

Anticipated Benefits of the Proposal: This proposal benefits the public and the Custom Livestock industry. The purpose is to augment the sanitation, pathogen reduction and consumer education procedures at Custom Livestock Slaughterhouses due to recent Salmonella outbreaks associated with these State-licensed and inspected slaughter facilities. The proposed requirements will serve to ensure that meat and poultry products are clean, safe and wholesome for human consumption. Custom Livestock Slaughterhouses are defined in section 18946 of the Food and Agricultural Code, to mean a licensed establishment where (a) cattle, sheep, swine, or goats are slaughtered and prepared for the owners of the livestock, and (b) fallow deer are slaughtered and prepared for transportation

and/or sale. Conditions at slaughter facilities must be sanitary, as defined in section 18948 of the Food and Agricultural Code, which states that "sanitary" means free from dirt, filth, and contamination and free from any other substance or organisms which are known to be injurious to human health or which would render the product adulterated. If meat and poultry at slaughter are not properly handled, packaged, and labeled to describe safe handling of the raw meat could cause contamination of the products. If the meat is not refrigerated and cooked properly, it could cause food borne illnesses, such as Salmonella, which is the most common form of food poisoning. This proposal also requires that safe handling statements must be provided to customers which are meant to educate customers that meat might have pathogenic bacteria on it and they need to refrigerate, handle and cook meat in a way that will protect them from food-borne illness.

<u>Consistency and Compatibility with Existing State Regulations:</u> The Department has evaluated this proposal and it is not inconsistent or incompatible with existing state regulations.

<u>Documents Incorporated by Reference:</u> None.

Documents Relied Upon in Preparing Regulations:

- Custom Livestock Slaughter Illustration & General Information
- Economic Impact Assessment

FISCAL IMPACT ESTIMATES

<u>Fiscal Impact on Public Agencies Including Costs or Savings to State Agencies or Costs/Savings in Federal Funding to the State: None</u>

Nondiscretionary Costs/Savings to Local Agencies: None

Local Mandate: None

Cost to Any Local Agency or School District for Which Government Code Sections 17500 et seq. Require Reimbursement: None

<u>Business Impact:</u> The Department has made an initial determination that the proposed regulatory action will have no significant statewide adverse economic impact directly affecting California businesses, including the ability of California businesses to compete with businesses in other states. This initial determination is based on the fact that the proposed regulation augments the safe handling procedures of meat and poultry at Custom Livestock Slaughterhouses in accordance with sections 407, 18693, 18735, 18960, 18961, and 19014 of the Food and Agricultural Code.

Cost Impacts on Representative Private Persons or Businesses: The Department is not aware of any cost impacts that a representative private person or businesses would necessarily incur in reasonable compliance with the proposed action. The proposed regulation augments the safe handling procedures of meat and poultry at Custom Livestock Slaughterhouses in accordance with sections 407, 18693, 18735, 18960, 18961, and 19014 of the Food and Agricultural Code. There are approximately 38 licensed Custom Livestock Slaughterhouses in California. In Fiscal Year 2012/13 approximately 112,384 head of livestock were slaughtered that weighed a total of approximately 22,127,014 pounds. There are approximately 119 Livestock Meat Inspectors licensed by the Department who conduct ante mortem and post mortem inspections at Custom Livestock Slaughterhouses in California. The anticipated compliance requirements as a result of this proposal are as follows:

Paperwork requirement: Safe handling instructions are to be provided to customers after the
meat is cut, packaged, and labeled. The instructions can be a part of the label, or a separate
flyer provided to the customer. The instructions outline the proper refrigeration of raw meat,
and the cooking and reheating temperatures to prevent the growth of harmful bacteria that
could cause food borne illnesses, as specified in this proposal. The Department believes the
cost to businesses is minimal to insignificant, as labeling of the product is an existing
requirement under section 909.9 (Custom Prepared Products) of Title 3 of the California Code
of Regulations.

Effect on Housing Costs: None

Effect on Small Businesses: The Department's proposal may affect small businesses.

RESULTS OF ECONOMIC IMPACT ASSESSMENT

<u>Impact on Jobs/New Businesses:</u> The Department has determined that this regulatory proposal will not have any impact on the creation of jobs or businesses or the elimination of jobs or existing businesses or the expansion of businesses in California.

The Department has made a determination that this regulatory proposal:

- Will have no significant, statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states by making it more costly to produce goods or services, and that it will not create or eliminate jobs or occupations.
- Will not affect the creation of new businesses or the elimination of existing businesses within the State of California, and does not affect the expansion of businesses currently doing business within the State of California.
- Does not impact multiple industries.
- Benefits the custom livestock slaughter industry and the public by augmenting existing pathogen reduction measures by specifying the safe handling of meat and poultry at Custom Livestock Slaughterhouses in accordance with sections 407, 18693, 18735, 18960, 18961, and 19014 of the Food and Agricultural Code.

Benefits of the proposed regulation to the health and welfare of California residents, worker safety, and the State's environment: This proposal will enhance the health and welfare of California residents, worker safety, and the State's environment by implementing pathogen reduction measures at Custom Livestock Slaughterhouses. The proposal contains cleaning and sanitizing requirements to ensure worker safety at slaughterhouses and the safety of licensed Livestock Meat Inspectors who conduct ante mortem and post mortem inspections of carcasses and meat from carcasses that is intended for human consumption. The proposal is intended to reduce any potential disease outbreaks from harmful bacteria, such as, Salmonella, which is the most common form of food poisoning. This proposal also requires consumer education on the safe handling of fresh raw meat that might have pathogenic material on it and the need to refrigerate, handle and cook meat in a way that will protect consumers from food-borne illness. Implementing pathogen reduction intervention measures will make meat safer and will prolong shelf life of product. When handled properly, such meat and poultry products are safe and wholesome for human consumption.

Occupations/Businesses Impacted: The Department has made an initial determination that this regulatory proposal will impact State-inspected Custom Livestock Slaughterhouses. The proposal augments the safe handling of meat and poultry at Custom Livestock Slaughterhouses in accordance with section 407, 18693, 18735, 18960, 18961, and 19014 of the Food and Agricultural Code.

<u>Business Reporting Requirement</u>: The regulation does not require a report, which shall apply to businesses.

<u>Comparable Federal Regulations:</u> This proposal does not duplicate or conflict with federal regulations. State-inspected Custom Livestock Slaughterhouses are exempt from mandatory federal inspection. The Department may adopt regulations made under federal acts with such changes therein as appropriate to make them applicable to operations and transactions relating to meat and poultry slaughter and processing facilities in accordance with Food and Agricultural Code section 18961.

CONSIDERATION OF ALTERNATIVES

The Department must determine that no reasonable alternative considered or that has otherwise been identified and brought the attention of the Department would be more effective in carrying out the purpose for which the action is proposed or would be as effective and less burdensome to affected private persons than the proposed action, or would be more cost effective to affected private persons and equally effective in implementing the statutory policy or other provision of law. The proposal augments the safe handling of meat and poultry at Custom Livestock Slaughterhouses in accordance with section 407, 18693, 18735, 18960, 18961, and 19014 of the Food and Agricultural Code.

Any interested person may present statements or arguments orally or in writing relevant to the above determinations at the hearing (if a hearing is requested) or during the written public comment period.

INITIAL STATEMENT OF REASONS AND INFORMATION

The Department has prepared an initial statement of reasons for the proposed action and has available all the information upon which the proposal is based.

TEXT OF PROPOSAL

Copies of the exact language of the proposed regulations and of the initial statement of reasons, and all the information upon which the proposal is based, may be obtained by contacting the persons named below or by accessing the Department of Food and Agriculture's website as indicated below in this Notice.

AVAILABILITY AND LOCATION OF THE FINAL STATEMENT OF REASONS AND RULEMAKING FILE

All the information upon which the proposed regulations are based is contained in the rulemaking file, which is available for public inspection by contacting the persons named below.

Any person may obtain a copy of the final statement of reasons once it has been prepared, by making a written request to the contact persons named below or by accessing the website listed below.

CONTACT PERSONS

Inquiries concerning the substance of the proposed regulations, or any written comments concerning this proposal are to be addressed to the following:

Dr. Douglas Hepper, Branch Chief Department of Food and Agriculture Meat, Poultry, and Egg Safety Branch 1220 N Street, Sacramento, CA 95814 Telephone: (916) 900-5004

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The backup contact person is:

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<u>Website Access:</u> Materials regarding this proposal can be found by accessing the following Internet address: http://www.cdfa.ca.gov/ahfss/regulations.html